

# MEMORANDUM

## DEPARTMENT OF TRANSPORTATION

Division of Transit and Rail  
4201 East Arkansas Avenue, Room 280  
Denver, CO 80222  
Phone: 303-757-9646  
Fax: 303-757-9656



**TO:** Transit and Intermodal Committee

**FROM:** Mark Imhoff, Director, Division of Transit & Rail

**DATE:** April 6, 2012

**RE:** Report on FTA Section 5309 Activities

At your last meeting we presented an overview of the grant programs managed by DTR. It included mention of the FTA Section 5309 program. We recently had some activity in this program that I'd like to summarize for you. This memo will provide some background information in preparation for a PowerPoint presentation.

**BACKGROUND** – FTA Section 5309 is a discretionary grant program that offers funding for capital projects. This discussion is about one portion of it: the Bus and Bus Facilities program. B&BF funds have been distributed at the discretion of Congress for a number of years, by means of Congressional earmarks. However, Congress has made a point of not earmarking funds for the past three years, so these funds instead revert to the FTA for distribution by means of a nationwide competitive application process. The FTA requires that projects from rural areas be submitted as part of a consolidated state grant application and has suggested that it is helpful if the state DOT reviews and prioritizes the projects. Projects from urbanized areas submit applications directly to the FTA. The FTA makes all project selections.

The FTA has further divided B&BF into four subprograms, each with their own focus and criteria: **State of Good Repair** (SGR) is available primarily for bus replacements and facilities that support them. **Bus Livability** focuses on projects that tie in to housing and other community facilities, while the emphasis of **Clean Fuels** is obviously on alternative fueling technologies. The **Veterans Transportation and Community Living Initiative** (VTCLI) offers funding for software and hardware used to support the creation of “one-call/one-click” coordinated call and dispatch systems used to serve human services transportation programs for the elderly and disabled, provided they also serve veterans.

DTR solicited applications for these four programs from operators in rural areas. We reviewed and scored them, using two DTR staff members, a representative from DTD

and one from the Policy Office, using criteria approved by this committee a year ago. The criteria focus primarily on the mileage and age of buses, project readiness and benefits, and the responsiveness to the FTA's criteria.

We believe it helps our consolidated application to rank the projects rather than to leave all the decision making to the FTA, since we have a better understanding of the projects. We also believe we should not advance projects if they do not seem to adequately conform to the FTA criteria.

Twelve SGR projects, totaling \$11.5 million, were submitted to the FTA. Six other projects were not submitted. All four Bus Livability projects, as well as both of the submitted Clean Fuels projects, were submitted to the FTA. The deadline for submitting VTCLI applications is still a couple of weeks away, but we expect to submit applications on behalf of four applicants that were funded last year.

As an extra means of transparency, we share our methodology and project ranking results with CASTA for comment.

We coordinate this process closely with our other grant programs. For example, we use the same application template and criteria for FASTER and 5309 applications; if a project is not funded under one program, it is automatically submitted for consideration in the other, with any requested updates. We believe the steps we have taken create a much more uniform, transparent, predictable, defensible and need-based way to consider capital funding requests and will aid us greatly as we establish a formalized transit capital improvement program.